

Emission Cap Permit Proposal

Goals of an Emission Cap Permit Program:

- Increase operational flexibility for industry.
- Speed up a facility's ability to install and operate new equipment.
- Reduce administrative workload needed to meet permit requirements.
- Reduce the number of construction permits and revisions that need to be processed.

Preliminary Proposal: We will move forward with rule making to develop an Emission Cap Permit Program with the following boundaries:

- An Emission Cap will cover an entire facility.
- An Emission Cap may be for any or all criteria pollutants or regulated HAPs.
- A facility will be allowed to make operational changes and add equipment without first getting a construction permit as long as total facility emissions do not exceed the cap.
- Calculate emission caps based on a simple "least of" approach. Consider the following:
 - Actual emissions plus a set amount (10 to 25 TPY) – calculate actuals based on the facility's choice of a calendar year's annual emissions reported to the air emission inventory within the last 2 to 5 years; or
 - The potential to emit based on the facility's air operation permit; or
 - Allowable emission rate.
- Emission caps must be practically enforceable.
- Ambient air quality standards, PSD increment and acceptable ambient concentrations of HAPs must be protected.

Decisions:

- Who is eligible?
 - Recommend moving forward with PSD and NAA minors sources (this would include some Title V majors.)
 - Hold discussions on how to include PSD and NAA major sources. Bring in EPA up front. Can we give emission cap permits to major sources in lieu of the federal PAL?
- Longevity – What happens after permit expires?

Rule development issues:

- Facility growth - What happens when a facility wants to change or exceed its cap or no longer wants to have a capped permit?
- Calculating the Cap – How exactly should the cap be established? Keep it simple. Include existing sources as well as greenfield sources.
- Compliance/Enforcement – What kind of compliance demonstration is needed with an emission cap permit? What happens when a facility violates its cap?
- Fees – How will Emission Cap Permits affect DNR funding both from a standpoint of workload to establish and maintain them as well as the reduction in construction permitting fees?

- Under what circumstances would we revoke an emission cap permit?

Procedural issues

- Who demonstrates ambient air quality standards and acceptable ambient concentrations are protected?
- How do we track facility changes?
- How much work will be needed to review changes that are off permit? Let's not create a work intensive system. (Keep fees in mind)
- What compliance demonstration will be necessary – Testing, recordkeeping, and reporting? How do we make the permit “Practically enforceable” and still meet goals of the permit program

Process for resolution

- To determine if ECPs can be issued to major PSD and NAA sources, we need to hold meetings with EPA and large stakeholders. GOAL: answer the question of whether or not the Wisconsin would be able to have an Emission Cap program that is different than the PAL.
- A broader group will be established to work on the issues of facility growth and the other decision items. GOAL: create an outline of a program with enough details to lead to a rule and work procedures for an Emission Cap Permit Program.

Proposed schedule for resolution

- PSD NAA issue
 - 9/14 - Create a working group and set a first meeting date
 - 10/31 – Answer the question of whether or not an ECP can be established for Majors.
- Industry growth issue
 - 9/14 – Create a working group and set a date for the first meeting
 - At the first meeting discuss the scope of the task and set a deadline for finishing the outline.

Ideas to keep on the table

- Emission caps based on a limiting throughput such as a cap on melt capacity for a foundry which would then allow construction, reconstruction, replacement of equipment specific to the metal making process.
- Capped GOP